

# INFORMATION LETTER

Not for  
Publication

NATIONAL CANNERS ASSOCIATION

For Members  
Only

No. 1549

Washington, D. C.

August 13, 1955

## Tomato Products for USDA

The U. S. Department of Agriculture on August 11 announced that it contemplates purchasing canned tomatoes and tomato paste from the 1955 pack for distribution in the National School Lunch Program.

Offers may now be submitted for the sale of canned tomatoes packed in No. 10, No. 2½, and No. 2 cans; however, No. 10 cans are preferred.

Offers may be submitted for the sale of tomato paste in No. 10 cans.

Delivery of the canned tomatoes and tomato paste is required during the period October 3 through November 7.

Detailed specifications are being mailed by USDA to all known processors of these products.

Offers should be sent to the Director, Fruit and Vegetable Division, Agricultural Marketing Service, USDA, Washington 25, D. C., by 5 p.m. EDST September 9, for acceptance by September 16.

## Nuclear Tests Subject of County-State Fair Displays

Pictorial displays of scenes from nuclear tests of canned foods, along with samples of containers of foods actually exposed to the May 5 atomic blast in Nevada, will be on view at three state and county fairs during the next three weeks.

The displays were planned and are being carried out under direction of the Federal Civil Defense Administration, Region No. 2 (Delaware, District of Columbia, Kentucky, Maryland, Ohio, Pennsylvania, Virginia, and West Virginia). Following is the present schedule of showings:

August 17-19—Butler County Fair, Butler, Pa.

August 24-26—Westmoreland County Fair, Westmoreland, Pa.

August 26-Sept. 2—Ohio State Fair, Columbus, Ohio.

The displays will consist of panels on which will be mounted about 30 photos and captions illustrating various phases of the atomic tests as well as tiered racks containing about the

(Please turn to page 282)

## 1956 Convention Room Reservations

The N.C.A. has mailed to members forms on which they may request room reservations for the 1956 Convention, to be held in Atlantic City January 17-21.

Part of the mailing is a reprint of the Convention announcement in the INFORMATION LETTER of July 30, describing the Convention arrangements and diagramming the schedule of principal activities.

The Traymore, Shelburne, and Ritz-Carlton Hotels again will be headquarters for canners. N.C.A. will make reservations in these hotels to permit arrival of canners' sales forces to begin their conferences with brokers Tuesday, January 17, and for other canner personnel when desired.

As in the past, reservations for members will be made by room number in the headquarters hotels. The N.C.A. will advise the hotel of the room numbers assigned to the N.C.A. member, together with arrival and departure dates, and will send a duplicate of that notice to the member, who will then receive confirmation directly from the hotel.

The canners' requests for room reservations should be filled out promptly and returned not later than September 15 to R. F. Alexander, National

Canners Association, 1133 20th Street, N. W., Washington 6, D. C.

Members requiring the use of public meeting rooms for various functions should clear their requests through the N.C.A. by writing to Mrs. Betty Dulin at the N.C.A. headquarters. These rooms will be available from January 17.

## Canned Foods Important in Supermarket Promotions

While retail advertising may not feature canned foods heavily except for special promotions, these products continue to play a powerful part in supermarket point-of-sale promotions. This conclusion is based upon a field check made for the N.C.A. as part of the current Consumer and Trade Relations Program, by Don White Inc., New York market research organization, in five chains operating 157 supermarkets in Buffalo, N. Y.; Jacksonville, Fla.; Fort Worth and San Antonio, Texas.

During the field check week of May 23-28 none of these chains gave any headline or primary featuring in their advertising to canned foods or canned foods brands. Less than 1½ percent of the total retail advertising space gave any extra "sell" to any canned foods item or brand, and of all of the advertising space used by these chains, only 10.7 percent was devoted to any mention of canned food items.

A completely different picture was found at the point of sale in the supermarkets of these five chains, including:

(1) More than half (53 percent) of the food products for which these stores were using printed posters,

(Please turn to page 282)

## General Crop Conditions

General crop conditions on August 1 point to a total production this year equal to the 1948 record, according to a crop summary issued August 11 by the Crop Reporting Board of USDA.

Total production is indicated at 106 percent of the 1947-49 base, matching the 1948 output. The index of yield per acre is at 117, well above the previous record of 108 set in the same year.

Vegetable crops for summer fresh markets are harvesting totals well above average and slightly more than last year, even though crop yield prospects for many vegetables declined during July. Vegetable crops for commercial processing also promise total outturns well above average levels.

Details of the August 11 report are reported beginning on page 283.

## Atom Tests Being Publicized By Photo-Caption Collection

A collection of 78 black and white photos, covering the tests of canned foods conducted in connection with the atomic explosion of May 5, has been assembled by the N.C.A. Laboratories and the Information Division.

The photos depict most of the various canned foods test installations, both pre-blast and post-blast. Full descriptive captions have been written for each photo and cleared with Atomic Energy Commission and Federal Civil Defense Administration press sections. Not all of the detailed information, particularly that dealing with tests at distances close to the blast, is available yet, since clearances are awaiting the completion of continuing technical tests, but the current set of pictures and captions contains everything cleared up to this time by government authorities.

Most of the publications in the industry and many consumer journals, newspapers and radio and TV stations have made use of publicity issued from Las Vegas at subsequent times, but the current set of illustrations furnishes opportunity for a more complete account.

The following publications have thus far indicated they are planning to give further publicity to the test through the use of selected photos from the set:

*Food Processing*—44 photos; *Food Trade News*—18 photos; *The Glass Packer*—4 photos; *Good Packaging*—23 photos; *Grocer-Graphic*—32 photos; *Huntington Dispatch*—2 photos; *Progressive Grocer*—5 photos; and *Super Market Merchandising*—4 photos.

The Information Division will issue a recapitulation of nuclear test publicity results from time to time.

## County-State Fair Displays

(Concluded from page 281)

same number of various canned and glass-packed food samples that were actually exposed to the blast. The photos and captions were prepared by the N.C.A. Information Division and the test samples assembled and labeled by the Washington Laboratory. A signboard containing the following description will be included in the displays, alongside the samples:

"These canned and glass-packed foods were among those exposed in commercial fiberboard cases on the ground surface (with no protection)

at 5,500 ft. from Ground Zero during Operation Cue. Although case surfaces were scorched and one case burned, the products were undamaged, showed no induced activity, and were found suitable for immediate use following the blast.

"The undamaged commercial labels on these samples have been replaced with labels showing only the name of the product and net contents.

"Nine hundred and eight cases and 3,802 uncased jars and cans were exposed in 18 different localities on the Test Site from as close as a quarter of a mile to three miles from the Shot Tower. They were exposed in kitchen cabinets in various styles of houses and in basements, on shelves and on the floor, cased and uncased; in above-ground and in underground shelters; in house trailers; exposed on the floor of the desert, cased and uncased; buried in shallow trenches; and, to test conditions of retail handling, in industrial buildings in individual packages on shelves and in cased storage on floors."

The Butler and Westmoreland exhibits are under the direction of Ross I. Webb, Western Area Director, the Pennsylvania Council of Civil Defense. The exhibit at Columbus is being managed by Maj. Gen. Leo M. Kreber, Ohio State Civil Defense Corps.

Press releases describing and announcing the exhibits were prepared and distributed by the Information Division to Ohio newspapers, the national wire services, canning industry trade journals, and the newspapers of Butler and Westmoreland and their neighboring counties.

## Canners Technician Schools

Technician schools for instruction in the Howard mold count on tomato products were held as usual in Indiana and New York.

The school conducted by the Indiana Canners Association was held at Purdue University, Lafayette, Ind., July 13-22. In attendance were 74 students from 34 canning firms in Indiana, Illinois, Ohio, New York, and Canada.

The school conducted by the New York State Canners and Freezers Association was held at the Geneva Experiment Station July 27-August 5, and was attended by 22 students from 13 canning firms in New York and Pennsylvania.

At each school representatives of the research departments of the American Can Company and the Continental Can Company assisted members of the Microanalytical Division of the N.C.A. Washington Research Laboratory in giving the instruction.

## C&TR Radio Releases

The versatility of canned foods in the preparation of summer salads was emphasized in a radio release in the "Scriptease" series, issued July 19, to 67 broadcasters on women's programs with an estimated listening audience of 4,000,000.

The important contribution of canned foods to menu variety was the principal theme of a radio release in the "Kitchen-Air" series, issued July 28, to 178 broadcasters with an estimated listening audience of 12,000,000.

Both releases are part of the continuing N.C.A. Consumer and Trade Relations Program.

## Supermarket Promotions

(Concluded from page 281)

banners, signs or similar materials were canned foods.

(2) More than two thirds (68 percent) of the special food product displays such as end of aisle, floor mass, table jumble, carrier or dump displays in the stores of these chains were made for canned foods.

Products mentioned in advertising or promoted with special displays included items packed by large national canners, small sectional canners and private label packers.

While all three groups were fairly evenly represented in retail advertising and in special product displays, the printed display materials used in these stores were almost entirely supplied by the canners of nationally advertised brands.

Analysis of these findings indicates that:

(1) Canned foods are not getting their share of retail advertising space or "selling" emphasis.

(2) Canned foods are the most favored items for in-store merchandising via special product displays.

(3) Only a few packers of nationally advertised brands of canned foods are supplying the kind of in-store, printed display materials that these chains like and use.

(4) Advertising allowances and price cutting are far from being a guarantee that canned foods items will obtain special product displays at the point-of-sale.

(5) Great point-of-sale merchandising opportunities exist for canners, whether large or small, whether packing advertised, unadvertised or private brands to get extra sales through intelligent, aggressive point-of-sale merchandising plans and materials.

The above information was sent out as a press release to 47 grocery and trade publications on July 26.

## Snap Beans for Processing

Snap bean production prospects declined about 6 percent during July and on August 1 a total of 308,880 tons was indicated, according to the Crop Reporting Board of USDA. This compares with a production of 353,030 tons in 1954 and an average of 236,800 tons for the 1944-53 period.

The August 1 indicated yield is 2.28 tons per acre. This compares with 2.33 tons obtained in 1954 and the average of 1.90 tons. Yield prospects declined during July and in the northern tier of states from Maine to Wisconsin and also in Pennsylvania and Missouri.

State	10-year ave. 1944-53	1954 Re- vised	1955 Indi- cated	Per- cent change from 1954
	(tons)	(tons)	(tons)	
Maine.....	6,000	5,500	4,800	- 13
N. Y.....	40,000	67,700	42,900	- 37
Pa.....	7,900	12,600	5,000	- 56
Mich.....	8,900	15,000	9,000	- 40
Wis.....	17,000	25,000	25,500	.....
Mo.....	900	100	200	+ 100
Del.....	2,500	2,900	4,500	+ 55
Md.....	16,100	22,100	30,700	- 6
Va.....	5,300	5,300	8,100	+ 15
N. C.....	3,200	5,400	5,300	- 2
S. C.....	1,900	600	400	- 33
Ga.....	900	200	.....	- 20
Fla.....	15,300	25,500	17,980	- 30
Tenn.....	7,800	12,200	11,500	- 6
Miss.....	1,700	1,400	1,400	.....
Ark.....	10,400	1,500	6,600	+ 340
La.....	1,200	1,000	800	- 20
Okla.....	4,400	1,100	3,300	+ 191
Texas.....	9,800	10,500	10,500	.....
Other states <sup>1</sup>	8,600	15,000	14,900	- 1
U. S. Total.	236,800	353,030	308,880	- 13

<sup>1</sup> Sum of estimates by seasonal groups. <sup>2</sup> Ala., Idaho, Ill., Ind., Iowa, Ky., Minn., Nebr., N. H., N. J., N. M., Ohio, Vt., and Wyo.

## Tomatoes for Processing

The August 1 indicated production of tomatoes for processing is 3,328,940 tons, according to the Crop Reporting Board of USDA. If realized, such a production would be 24 percent more than that for last year and 7 percent more than the 10-year average.

The preliminary 1955 acreage for harvest is 308,700 acres. This is about 15 percent more than the 267,550 acres harvested in 1954 but 28 percent under the 1944-53 average of 425,900 acres harvested. In arriving at the acreage for harvest in 1955, allowances were

made by states for abandoned acreage in line with average losses for recent years.

The August 1 indicated yield is 10.78 tons. This compares with 10.05 tons obtained in 1954 and an average of 7.59 tons for the 1944-53 period. About 37 percent of the 1955 acreage is in California where the yield per acre is substantially above the national average. Last year California had 30 percent of the nation's acreage.

State	10-year ave. 1944-53	1954 Re- vised	1955 Indi- cated	Per- cent change from 1954
	(tons)	(tons)	(tons)	
N. Y.....	173,600	92,800	140,000	+ 51
N. J.....	227,400	197,600	198,400	.....
Pa.....	169,900	139,800	145,600	+ 4
Ohio.....	193,300	161,800	174,000	+ 8
Ill.....	340,900	236,800	252,000	+ 6
Ind.....	80,800	111,100	94,000	- 15
Mich.....	55,600	45,000	52,300	+ 16
Wis.....	8,500	6,400	10,000	+ 56
Iowa.....	10,500	10,200	12,600	+ 24
Mo.....	18,400	400	6,800	+1600
Del.....	37,500	32,400	23,400	- 28
Md.....	177,900	97,900	110,000	+ 12
Va.....	83,700	82,100	82,500	+ 58
S. C.....	3,300	1,000	2,400	+ 50
Fla.....	18,200	38,560	49,740	+ 29
Ky.....	7,400	3,500	3,000	- 14
Tenn.....	8,000	800	2,000	+ 150
Ark.....	23,100	1,500	12,000	+ 700
Okla.....	3,000	200	500	+ 150
Texas.....	53,000	30,000	15,300	- 40
Col.....	26,400	24,100	27,200	+ 13
Utah.....	75,200	49,300	67,000	+ 36
Calif.....	1,297,600	1,343,600	1,840,000	+ 37
Other states <sup>1</sup>	15,900	11,100	8,300	- 25
U. S. Total.	3,100,000	2,688,560	3,328,940	+ 24

<sup>1</sup> Sum of estimates by seasonal groups. <sup>2</sup> Ala., Ariz., Conn., Ga., Idaho, Kans., La., Minn., Miss., Nebr., N. M., N. C., Ore., Wash., and W. Va.

## Sweet Corn for Processing

A total of 1,198,900 tons of sweet corn for processing is indicated for 1955 on the basis of August 1 reports received by the Crop Reporting Board of USDA. This production is about 20 percent less than last year's production of 1,491,100 tons and 3 percent below the 10-year average production of 1,239,800 tons.

The 1955 preliminary estimate of sweet corn acreage for harvest is 394,310 acres. This compares with 453,910 acres harvested in 1954 and the average of 466,950 acres. In arriving at the estimate of acreage for harvest this year, an allowance was made for abandonment or unharvested acreage about in line with the average loss for recent years.

A yield of 3.04 tons per acre is indicated for 1955 on the basis of Au-

gust 1 reports. This compares with the record high yield of 3.29 tons obtained last year and an average of 2.67 tons for the 1944-53 period.

State	10-year ave. 1944-53	1954 Re- vised	1955 Indi- cated	Per- cent change from 1954
	(tons)	(tons)	(tons)	
Maine.....	31,500	10,100	13,600	+ 35
N. H.....	1,400	1,600	1,400	- 12
Vt.....	2,100	1,600	2,000	+ 25
N. Y.....	65,700	63,000	32,300	- 49
Pa.....	25,100	33,600	24,000	- 29
Ohio.....	40,600	27,400	23,900	- 13
Ind.....	60,500	48,600	50,600	+ 4
Ill.....	176,400	219,800	179,200	- 18
Wis.....	245,600	311,200	266,800	- 14
Minn.....	227,400	347,100	280,000	- 17
Iowa.....	81,000	76,600	58,900	- 23
Del.....	11,600	12,200	10,200	- 16
Md.....	84,500	78,100	60,900	- 22
Va.....	1,800	2,400	2,600	+ 8
Idaho.....	34,500	54,500	41,600	- 24
Utah.....	18,500	30,200	20,700	- 31
Wash.....	54,300	81,000	40,500	- 50
Ore.....	44,000	63,900	52,900	- 17
Other states <sup>1</sup>	33,200	28,200	27,800	- 1
U. S. Total.	1,239,800	1,491,100	1,198,900	- 20

<sup>1</sup> Ark., Calif., Colo., Mich., Mont., Nebr., N. J., Okla., S. D., Tenn., Texas, and Wyo.

## Cabbage for Kraut

The August 1 indicated contract production of cabbage for sauerkraut is 101,300 tons, according to the Crop Reporting Board of USDA. This compares with 118,300 tons in 1954 and the 10-year average of 95,500 tons. These estimates relate to production from acreage grown by kraut packers on their own or leased land as well as production grown under contract on either an acreage or tonnage basis.

Last year, kraut packers purchased 85,300 tons or about 42 percent of their total supplies on the open market. The 10-year average open-market purchases amount to 93,600 tons or about 49 percent of the total supplies for kraut.

The contract acreage for harvest this year is 7,600 or about 17 percent less than the 9,170 acres harvested under contract in 1954 and 18 percent under the 10-year average contract acreage of 9,320 acres. The August 1 indicated yield on this acreage is 13.3 tons. This compares with 12.9 tons obtained last year and the average of 10.0 tons.

The summer and early fall cabbage areas, which provide the bulk of the supplies for sauerkraut, are expected to produce 11 percent less cabbage for all purposes in 1955 than last year. Deducting the production forecast for



the acreage contracted for sauerkraut in these areas leaves 603,900 tons of cabbage for fresh market outlets and for open market purchases by kraut manufacturers for this year. This indicated supply for 1955 is 11 percent less than the 675,400 tons available from the 1954 crop for fresh market and open-market purchases in these areas. These figures include both domestic and Danish (storage-type) cabbage.

State	1954 Total <sup>1</sup> Revised	Contract <sup>2</sup>			Percent change from 1954
		1954 Revised	1955 Indi- cated	1955 Indi- cated	
	(tons)	(tons)	(tons)	(tons)	
N. Y.	75,800	25,300	20,400	20,400	- 19
Ohio	19,000	18,900	9,800	9,800	- 48
Ind.	8,500	8,300	7,200	7,200	- 13
Ill.	800				
Mich.	3,900	3,900	2,100	2,100	- 46
Wis.	52,400	34,200	33,400	33,400	- 2
Minn.					
Colo.	3,000	1,100	1,000	1,000	- 9
Wash.	5,800	5,600	5,000	5,000	- 11
Other states <sup>3</sup>	33,800	21,000	22,400	22,400	+ 7
U. S. Total.	203,600	118,300	101,300	101,300	- 14

<sup>1</sup> Total production includes tonnage obtained from contract acreage (footnote 2) and tonnage purchased on the open market. <sup>2</sup> Contract acreage includes acreage grown by packers on own or leased land as well as acreage under contract with growers. <sup>3</sup> Fla., Iowa, Md., Mo., N. J., N. C., Ore., Pa., Tenn., Texas, Utah, and Va.

### Deciduous Fruit Production

Production of deciduous fruits is expected to exceed 1954 moderately, although not be up to average, on the basis of August 1 conditions.

According to the Crop Reporting Board of USDA, smaller crops are in prospect for apples and peaches, but increases over last year are expected for pears, cherries, apricots, plums, and grapes.

Prospects improved during July for apples, pears, apricots, and sour cherries, but declined for peaches, sweet cherries, and plums.

Northeastern fruit crops made good progress but fruit sizing was held back by dry weather in important sections. Pacific and Northwest fruits generally are delivering or maturing good crops.

Crop	1954	July 1, Aug. 1,	
		1954	1955
		(thousands of bushels)	(thousands of bushels)
Apples	109,512	105,560	107,389
Peaches	61,316	48,479	47,830
Pears	30,434	30,599	30,863
	(tons)	(tons)	(tons)
Sweet cherries	97,940	119,260	118,980
Sour cherries	107,690	144,800	150,500
Apricots	155,400	257,000	258,100
Plums	78,000	85,700	85,100

### APPLES

The commercial apple crop is estimated at 107,389,000 bushels, about 2 percent below the 1954 production, but 1 percent above average. The Eastern states have about 42 percent of the production compared with 50 percent last year; while the Western states have 44 percent compared with only 36 percent last year. The Central states, with about 14 percent of the production, have a slightly smaller share of the total crop than last year.

### PEACHES

The peach crop is forecast at 47,830,000 bushels, 22 percent less than last year and 30 percent below average. Because of spring freeze damage in 12 Southern states, 1955 production there was too small to warrant an estimate. Production outside of these 12 states is now expected to total 5 percent less than last year and 11 percent below average.

Prospects for the California clingstone crop declined during July with smaller-than-expected size on early varieties harvested to date. Production is now forecast at 20,085,000 bushels, 4 percent more than was harvested last year but 7 percent below average. The crop is later than usual but harvesting was expected to increase rapidly in August. Fresh market movement of early freestone varieties from California was heavier than usual because of the short crop in the Southern states. There was a good crop of Elbertas but the regular Elberta crop now being harvested is below average. Freestone production in California is expected to total 10 percent below last year and 6 percent below average.

State	1954	Aug. 1, 1955	Percent change from 1954
	(thousand bushels)		
New York	1,010	1,300	+29
New Jersey	1,910	1,943	+2
Michigan	2,550	2,100	-18
Virginia	1,200	315	-74
Georgia	2,800	(a)	
Washington	1,500	2,500	+67
California, all	31,252	30,878	-1
Clingstone	19,251	20,085	+4
Freestone	12,001	10,793	-10
Other states	19,094	8,794	-54
U. S. Total	61,316	47,830	-22

(a) The 1955 crop in Southern states was almost a complete failure because of spring freeze damage. Although a few peaches were produced, the production was too small to warrant a quantitative estimate.

### PEARS

The pear crop is estimated at 30,863,000 bushels, slightly above the forecast a month earlier and 1 percent above last year but a little be-

low average. The Bartlett pear crop in the three Pacific Coast states is estimated at 20,930,000 bushels, 2 percent above last season and 10 percent above average. The other varieties in these states are placed at 7,260,000 bushels, 23 percent above last year and 6 percent above average.

California prospects are above average but below last year for both Bartletts and other pears. Heavy deliveries of Bartletts for canning are being made from early districts.

State	1954	Aug. 1, 1955	Percent change from 1954
	(thousand bushels)		
Michigan	820	875	+7
Washington, all	5,070	7,280	+28
Bartlett	4,120	5,400	+31
Other	1,500	1,880	+25
Oregon, all	4,065	6,242	+54
Bartlett	1,500	2,612	+74
Other	2,565	3,630	+42
California, all	10,751	14,068	+12
Bartlett	14,918	12,918	-13
Other	1,833	1,750	-5
Other states	3,178	1,798	-43
U. S. Total	30,434	30,863	+1

### SWEET CHERRIES

The sweet cherry crop is estimated at 118,980 tons, 21 percent larger than last year and 26 percent above average. The final outturn in Oregon, Utah, Montana and Colorado did not come up to early-season expectations. The California and New York crops turned out larger than indicated at the start of the season.

### SOUR CHERRIES

The sour cherry crop is estimated at 150,590 tons, 40 percent larger than last year and 29 percent above average. Larger crops than in 1954 are estimated for all the Great Lakes states totaling 139,600 tons compared with 95,780 tons in 1954. The crop in the Western states turned out below last year and average.

Cherries in northwestern Michigan developed well and produced a much larger tonnage than last year's small crop. In Wisconsin, the crop exceeded earlier expectations with the important Door County crop probably turning out the largest of record. In New York, the bulk of the sour cherry crop was harvested by August 5. The dry, hot weather in late July was detrimental to mature, unharvested fruit and some withering and shrinking occurred. Because of low prices and poor quality, some cherries have been left unharvested. Production in Utah and Washington is estimated below last year but Oregon's crop is indicated to be somewhat larger. The crop in the Western states is later than usual.

## APRICOTS

Production in California, Washington and Utah is estimated at 258,100 tons, 66 percent larger than the small 1954 crop and 10 percent above average. Harvest was practically completed by August 1 in Utah and all districts of California except the Santa Clara Valley. In that area, harvest is expected to continue into the third week of August, much later than usual.

## PLUMS AND PRUNES

Production of plums in California and Michigan is estimated at 85,100 tons, 8 percent larger than last year but slightly below average. California plums have developed well and size and quality have been good. In southwestern Michigan, there was a heavy drop of plums in July—a delayed result of freeze damage in early May. Harvest will be active during August.

The California prune crop is forecast at 146,000 tons (dry basis), 18 percent less than last year and 16 percent below average. The Sacramento Valley has prospects for light crops as a result of spring frosts. Prospects have improved somewhat in the Napa-Sonoma Districts.

Production of prunes for all purposes in Idaho, Washington and Oregon is expected to total 108,700 tons (fresh basis). This is 61 percent above the short 1954 crop and 2 percent above average.

## FIGS

Development of the California fig crop has been retarded by cool weather. The set is lighter than usual on Calimyrnas, one of the main varieties for drying.

## OLIVES

Olive prospects in California declined further during July. In most areas, production will be below average with relatively large size. There will be a few heavy crops where the trees bore lightly last year.

## GRAPES

The grape crop is estimated from August 1 conditions at 3,185,500 tons, 24 percent above last year and 9 percent above average. California and Arizona, which produce nearly all of the nation's European-type grapes, expect a production of 2,971,300 tons, 27 percent more than last year and 8 percent above average. Production in the other states, mostly American-type grapes, is estimated at 214,000 tons, 10 percent below last year but 20 percent above average.

In the four Great Lakes states—New York, Pennsylvania, Ohio and Michigan—the indicated production is 136,800 tons, 26 percent below last year but 13 percent above average. Prospects declined during July in both New York and Michigan.

## Production of Field Crops

Prospects for production of potatoes, sweet potatoes, and dry edible beans are reported by the Crop Reporting Board of USDA as follows:

Crop	July 1, Aug. 1,		
	1954	1955	1955
	(thousands of bushels)		
Potatoes.....	356,031	400,335	398,715
Sweet potatoes.....	29,880	34,273	35,273
Durum wheat.....	5,557	13,269	14,293
	(thousands of bags)		
Rice.....	58,852	47,214	47,974
Dry edible beans.....	18,809	19,221	18,776
Dry field peas.....	3,484	2,640	2,933

## POTATOES

The potato crop is forecast at 398,715,000 bushels, 12 percent above the 1954 crop of 356,031,000 bushels but 1 percent below the 10-year average of 401,146,000 bushels. The estimate is down 1,620,000 bushels from July 1 indications.

Dry weather in a few of the Eastern states and lowered prospects for the fall crop in Colorado, Oregon and California caused most of the decline. Otherwise, weather conditions during July were generally favorable for the development of potatoes. Prices being received for the summer crop are reported to have caused growers in many areas to delay harvest.

## SWEET POTATOES

The sweet potato crop is placed at 35,963,000 bushels, 20 percent above the near record low production of 29,880,000 bushels in 1954 but 23 percent below average. The estimate is 1,690,000 bushels above the July 1 forecast. Except for New Jersey and Kansas, indicated yields are the same or higher than those forecast a month ago.

Following is the production indicated for principal sweet potato canning states:

Sweet Potatoes	July 1, Aug. 1,		
	1954	1955	1955
	(thousands of bushels)		
New Jersey.....	2,958	2,890	2,720
Maryland.....	960	962	962
Virginia.....	2,800	3,045	3,045
Alabama.....	935	1,125	1,275
Mississippi.....	1,083	1,710	1,805
Louisiana.....	8,835	8,835	9,800
Other states.....	12,277	15,251	16,438
U. S. Total.....	29,880	34,273	35,963

## DRY BEANS

Dry bean production is estimated at 18.8 million bags, slightly less than last year but 8 percent above average.

Hot, dry weather during July lowered production prospects in the Northeast bean area, with New York the hardest hit. The Northwest bean area shows practically no change in prospects since last month. Colorado, the principal pinto bean producing state, indicates no change from a month ago. California has uniformly good prospects with cool weather beneficial to the crop. Large lima and "other bean" yield indications are slightly above the relatively high yields a month ago; no change is reported for baby limas.

## Citrus Fruit Production

Prospects for the 1955-56 citrus crops are fairly favorable, according to the Crop Reporting Board of USDA. Growing conditions during July were favorable in all areas.

Florida citrus areas received ample rainfall during July and groves are in good condition. Texas citrus received some rain during July, and there is still plenty of water for irrigation. Many young grapefruit trees will bear for the first time this season. Arizona prospects are only fair. The drop of fruit has been heavier than usual, probably because of freeze damage last winter. California prospects for citrus from the 1955 bloom are generally favorable although July weather was cooler than usual.

## Statistics Work Featured in Good Packaging Yearbook

Work of the N.C.A. Statistics Division is the subject of an illustrated feature article in the 1955 *Good Packaging Yearbook*, just released. Occupying six pages, and utilizing four halftone and four chart illustrations, the feature gives comprehensive coverage to the origin and development of statistical work of the Association, its adaptation to modern techniques and new interests, description of its reporting and analysis, structure of organization, methods of gathering and distributing its data, principles, and philosophy of the work.

This is the fifth consecutive annual presentation by the magazine of N.C.A. activities. In past yearbooks the following have been featured: labeling, technological research, home economics, and the consumer and trade relations program.

## Business Indicators

The first half of 1955 was the best half year in business history and reports for July still presented a picture of great strength and activity. National employment, corporate earnings, personal income, production and consumption are all at record levels. Sales forecasts are optimistic and manufacturers' production schedules are high. Although no marked rise in food and farm prices seems in prospect, some economists—as well as businessmen—wonder whether the wage-price spiral in other segments of the economy will be accompanied by heavy inventory accumulation with a resultant temporary inflation of demand followed by a reaction.

On the other hand, the steadiness of the cost of living index is deemed by many to be a strong counterbalancing influence. Intense retail competition continues to keep prices steady while most elements of the current situation seem to point to a continued high level of production in the second half of 1955.

It likewise appears certain that intensified advertising and marketing efforts will be seen during the last half of 1955 in order to increase sales and reduce distribution costs.

A recent Department of Commerce survey of more than 400 manufacturing industries indicates that they will achieve new all-time sales and production records. New plant and equipment expenditures are expected to reach an annual peak of nearly \$29 million in the third quarter of 1955, thus reflecting general business optimism. Business expenditures for new plant and equipment in the second quarter were 9 percent above those in the first quarter.

The 1955 production of farm products promises to equal the record set in 1948.

The statistical indicators of the business cycle point toward further increases in general business activity in the months ahead. There is only one element in the latest reported data that suggests any reason to question this generally favorable outlook. It is the small decrease in orders for durable goods. The index of new consumer goods produced per capita (American Institute for Economic Research) in June stood at 12 percent above May, 1954, after advancing each successive month for the last eight. Moreover, the consumer's present inclination to spend results in sales that keep pace with production, with little apparent increase in inventories, except for automobiles.

## INDUSTRIAL PRODUCTION

The Federal Reserve Board's unadjusted index of industrial production in June increased 1 percent over May to 138 percent of the 1947-49 average, 11 percent above a year ago. Nondurable goods output rose to a new high. The production of food products in May stood at 102 percent of the 1947-49 average, which was 2 percent above the May, 1954, level. The output of canned and frozen foods in May was at the same level as a year ago. Among food manufacturers, the only production decrease shown from May of last year was that of grain mill producers, down 5 percent. Total farm output in 1955 is expected to match the high of 1948. Near-record crops of corn, oats, soybeans and barley and a sorghum crop which has record possibilities indicate that feed grain production will be greatly increased over last year.

Industrial Production (Unadjusted) (1947-49=100)	June 1955	Change from Month ago (percent)	Year ago
Total industry.....	138	0	+11.3
Manufactured food products*.....	102	+2.0	+2.0
CANNED AND FROZEN FOODS*.....	85	+4.9	0

\* May.

## EMPLOYMENT

Employment in June rose to an all-time high of 64 million, 3 percent above a year ago. Unemployment rose at the close of the school year, but the rise was smaller than usual for this season of the year. The number of unemployed in June represented about 4 percent of the civilian labor force compared with 5.1 percent a year ago.

Employment in durable goods manufacturing rose more than usual in June. In contrast, employment in nondurable goods manufacturing increased less than usual in June. Employment in the canning and preserving industry was 16 percent less than a year ago with production at the same level, reflecting increased productivity per man-hour.

Employment	June 1955 (thousands)	Change from Month ago (percent)	Year ago
Total employment.....	64,016	+2.1	+3.1
Civilian labor force.....	66,696	+2.3	+1.9
Total manufacturing.....	16,481	+0.9	+4.1
CANNING AND PRES- ERVING INDUSTRY*.....	144	+1.4	-16.3

\* May.

## SALES AND INVENTORIES

Total business inventories at the end of June had edged up to a level slightly above a year ago; retail inventories contributed most to the increase. Inventories of food and beverage manufacturers were about 7 percent under a year ago. Cannery stocks, as a whole, were slightly lower than a year ago, and cold storage holdings of frozen fruits and vegetables were about 8 percent lower. Manufacturers' inventories rose by \$250 million in book value during June. However, they were equal to about 1.6 months of current sales compared with 1.9 months a year ago. Even after allowing for seasonal variation, shipments this June were 2 percent more than in May. (The data in the table below are not seasonally adjusted.)

The sales gain in June was slightly larger for nondurable goods manufacturers than for durables. June sales of food and beverage manufacturers were up, 5 percent above May and 8 percent above a year ago. Retail food stores reported sales in June of \$3.6 billion, 8 percent above the sales of a year ago. This rise in the value of retail food store sales is especially significant when coupled with the 2 percent decline in retail food prices since a year ago. This indicates that the housewife this summer is buying about 9 or 10 percent greater volume of food than a year ago.

Although some businessmen and economists are casting a wary eye on the rising inventories, there are many others who point to the favorable inventory-sales ratios. New orders placed with manufacturers in June were up about 1 percent from May, after allowing for seasonal variation. Incoming orders exceeded the value of shipments in both the heavy and soft goods sectors and the backlog of unfilled orders on manufacturers' books at the end of June was back to its year-ago level.

Sales and Inventories (Unadjusted)	June 1955 (billion dollars)	Change from Month ago (percent)	Year ago
<b>Inventories:</b>			
Total business.....	78.2	-0.5	+0.5
Manufacturing.....	43.9	+0.6	-0.6
Food and beverages.....	4.1	-0.9	-6.9
Wholesale, total.....	11.5	-0.4	+0.1
Retail, total.....	22.8	-2.6	+3.0
Food stores.....	2.4	-1.2	+0.4
<b>Sales:</b>			
Total business.....	53.2	+4.1	+11.3
Manufacturing.....	27.4	+4.2	+16.0
Food and beverages.....	4.4	+4.9	+8.3
Wholesale, total.....	10.1	+8.0	+6.3
Retail, total.....	15.6	+0.8	+6.3
Food stores.....	3.6	+3.8	+7.7



## PRICES

The index of prices for goods and services bought by moderate income city families, as measured by the U. S. Bureau of Labor Statistics, has fluctuated within a narrow range for the past three years. A slight decrease in food and apparel prices during this period has been offset by increases in housing and some of the minor items in the consumer price index. Wholesale prices likewise have fluctuated within narrow limits since the end of 1952. Wholesale prices for July, according to latest estimates, were virtually unchanged from June and slightly less than in July of 1954.

Prices of farm products are one component of the wholesale price index that have shown a gradual decline since mid-1952. The index of prices for farm products at the end of June stood at about 92 percent of the 1947-49 average and more than 3 percent below a year ago. The average wholesale price for all commodities increased slightly in June and stood at 0.3 percent above a year ago. The wholesale price index of canned fruits and juices increased about 1 percent in June over May but was still 1.7 percent below the level of a year ago. The wholesale price index of vegetables and canned soups also showed an increase in June and was about 1 percent above a year ago.

Retail prices of foods were 2.2 percent below a year ago with a slight advance in June. Retail prices of canned fruits and vegetables advanced 0.4 percent in June but were 0.4 lower, as a group, than in 1954. The American Institute of Economic Research, in its August 1 report, stated that, although consumer prices may register irregular, slight advances for the next few months, the general trend is expected to be downward.

Prices (1947-49 = 100)	June 1955	Change from Month ago	Year ago
(percent)			
Wholesale:			
All commodities....	110.3	+0.4	+0.3
All foods.....	102.4	+0.8	-0.3
Farm products....	91.8	+0.7	-3.2
Fruits, fresh.....	109.8	+3.8	-4.7
Vegetables, fresh..	101.0	-20.9	+18.8
FRUITS AND JUICES			
Canned.....	108.4	+0.9	-1.7
VEGETABLES AND SOUPS, CANNED			
.....	104.8	+0.4	+1.1
Retail:			
All commodities....	114.4	+0.2	-0.6
All foods.....	111.3	+0.2	-2.2
CANNED FRUITS AND VEGETABLES			
.....	103.4	+0.4	-0.4

## INCOME AND EXPENDITURES

Disposable income and personal consumption expenditures both reached new highs in the second quarter of

1955. National income during the second quarter increased over \$8 billion (adjusted annual rate), primarily as the result of increases in employee compensation and corporate profits. Disposable personal income in the second quarter rose \$6 billion over the first quarter and was 5.2 percent above the second quarter of 1954. Total personal income exceeded the \$300 billion level for the first time in May, 1955. The gross national product reached an all-time high of \$383 billion in the second quarter. Personal savings in the second quarter were \$2.2 billion above the first quarter savings, rising to about the level registered in the last half of 1954. Savings during the second quarter of 1955 amounted to 6.6 percent of disposable income. On a per capita basis, disposable income reached another record level in the second quarter. In constant prices, it exceeded the level of the second quarter of 1954 by about 4 percent.

Income and Expenditures	2d Qtr. 1955	Change from 1st Qtr. 1955	Year ago
(billion dollars)			
(percent)			
Disposable personal income.....	267.0	+2.3	+5.2
Personal consumption expenditures.....	249.5	+1.5	+6.1
Expenditure, nondurable goods.....	124.5	+1.7	+3.4
Personal net savings.....	17.5	+14.4	-6.9

## BUSINESS FAILURES

The June decline of 4 percent in business failures followed the usual seasonal pattern but were about 5 percent below the year-ago level, when they were at a postwar high for this month. Total failures for the first half for 1955 were about 3 percent less than in the similar period for 1954 but 53 percent more numerous than in 1953.

The liabilities of the June failures edged up about 6 percent over May to \$36.7 million. The rise in liabilities was concentrated among companies with liabilities larger than \$100 thousand. There was a slight upturn among small casualties, those with liabilities less than \$5 thousand.

Nearly all lines of manufacturing showed fewer casualties in June than a year ago. Increases were registered in failures among retailers of food, general merchandise, apparel and automobile dealers. Food and kindred products manufacturers likewise showed relatively large increases in both number and liabilities of failures in June compared with a year ago. During July the number of business failures continued at about the same rate as a year ago.

Dun & Bradstreet reports for the week ending August 4 showed 213 this year compared with 207 the same week a year ago and 195 in 1953.

	June 1955	Change from Month ago	Year ago
(number)			
(percent)			
Business Failures:			
All business.....	914	-4.3	-5.3
Manufacturing.....	193	+17.7	-4.9
Food and kindred products.....	24	+140.0	+50.0
(thousand dollars)			
Current Liabilities:			
All business.....	36,667	+5.6	-11.9
Manufacturing.....	13,484	-1.8	-24.5
Food and kindred products.....	2,687	+416.0	+73.6

\* Excluding mining.

## FOOD CONTAINER SHIPMENTS

Shipments of food containers in June moved up seasonally over May. Shipments of both metal and glass containers for food were running 3 percent and 15 percent, respectively, above a year ago.

Food Container Shipments	June 1955	Change from Month ago	Year ago
(percent)			
Metal cans (thousands of tons of steel).....	230.6	+3.5	+2.8
Glass containers (thousands of gross).....	4,237	+0.9	+15.2

## Shipments of Metal Cans

Shipments of metal cans for fruits and vegetables during the first half of 1955 exceeded the volume shipped during the same period in 1954 by about 10 percent, on the basis of a report by the Bureau of the Census, U. S. Department of Commerce.

Shipments of cans for fish and sea food were about 4 percent above shipments during the first six months of last year. Shipments of cans for meat and poultry were down about 13 percent.

	Jan. through June 1954	1955
(short tons of steel)		
Fruit and vegetable (including juice).....	439,183	484,069
Fish and sea food.....	43,287	45,137
Meat (including poultry).....	72,452	62,983

## Canned Foods for VA

The Veterans Administration has invited sealed bids to furnish the following:

CORN—7,000 dozen No. 10 cans of cream style golden and 9,500 dozen No. 10 cans of whole grain golden, complying with Federal Specification JJJ-C-542, Extra Standard (Grade B), f.o.b. origin or destination; or equivalent in No. 2½ or No. 2 cans. Bids due under 5-18 by Sept. 7.

### 1955 Canning Trade Almanac

The 1955 edition of *The Canning Trade Almanac*, the comprehensive reference manual on the canning industry, has been issued by *The Canning Trade*.

This is the 40th annual compilation of the industry's statistics on packs and other aspects of the industry; food laws and regulations; recommended container sizes and box dimensions; labeling requirements; guides to machinery and supplies; and other data of concern to the canning industry.

Copies of the 1955 almanac are sold by *The Canning Trade*, 20 S. Gay St., Baltimore 2, Md., for \$2 each.

### Shortage of Freight Cars

The demand for box cars, especially the better grades and special sizes, is greater than at any time during the past few years, it is reported by the Association of American Railroads.

Shortages are reported for all areas. Class I railroads reported a daily average shortage of 11,000 plain box cars during one week recently. While most of the shortage is for merchandise and better equipment, the lower grade cars are in short supply on many roads.

Loadings through the first 27 weeks of 1955 amounted to 4.3 percent more than for the same period of 1954, according to the A. A. R.

### National Kraut Packers Assn.

The National Kraut Packers Association reelected the following officers recently at the association's annual convention:

President—Alden C. Smith, Shiocton Kraut Co., Shiocton, Wis.; vice president—John M. Stroup, Empire State Pickling Co., Phelps, N. Y.; secretary-treasurer—W. R. Moore, Oak Park, Ill.

### Dr. Stier Speaks

Dr. Howard L. Stier, Director of the N.C.A. Division of Statistics, spoke last week at a conference held by the American Farm Economics Association at Michigan State University, East Lansing, Mich. Dr. Stier spoke on "Industry Cooperation in Marketing Research—Potential Opportunities."

### Program of Better Farming through Technology Urged

With no new land likely to go into production of food, the food supplies necessary to feed our ever-increasing population will have to result from "better farming," according to Ervin L. Peterson, Assistant Secretary of Agriculture.

In a recent address to agricultural college editors, Mr. Peterson stated, in part:

"There is little in the present picture to indicate any significant increase in productive acres during the near future. Some new acreage will be developed by reclamation and other means. But it will likely be offset, if not exceeded, by further urban development, the use of land for streets, highways, airports, and other public purposes, together with the abandonment of existing low producing areas. Where, then, will we secure the food supplies necessary to feed at acceptable levels an ever-increasing population?"

"... The plain fact is that further production in agriculture to meet the needs of our growing population must depend upon an acceleration of the total technological revolution which agriculture in this country has been undergoing with increasing rapidity during the past 15 years. The geographic frontier is gone—the vertical frontier of science and technology remains, bounded only by the capacity of men's minds. Here is the challenge—

the hope—the opportunity for all of us—the further penetration of this new frontier. . . .

"Real progress is made through greater knowledge put to use. Hybrid corn has increased farm income in the past 20 years more than all the price support programs combined. Research and education have made it possible for 165 million Americans to live better from the same cropland that supported 106 million three decades ago. Research and education will do more than anything else to keep this nation on the road to progress. They are the foundation upon which farm families have forged ahead.

"The best farm program of all is a program of better farming. During the past decade or two a wider and more intensive application of regulatory programs and market services, including grading and inspection, market news and crop reporting have been of special significance to agriculture. It is in this area that cooperation and teamwork are particularly vital. Here the states participate as partners with the U. S. Department of Agriculture. Here is real opportunity for further effective help for all agriculture.

"Agriculture must establish comparative efficiency with industry and commerce and apply more successfully in the years ahead the fund of new knowledge coming from the developing technological revolution. It is up to the individual farmer to make his own decisions. It is the job of research and education programs, supported by tax dollars, to provide the facts necessary for the making of wise decisions."

### TABLE OF CONTENTS

	PAGE		PAGE
<b>Consumer and Trade Relations</b>		<b>Raw Products</b>	
Canned foods important in super-market promotions . . . . .	281	Program of better farming through technology urged . . . . .	288
C&TR radio releases . . . . .	282		
<b>Convention</b>		<b>Schools</b>	
1956 convention room reservations . . . . .	281	Canners technician schools . . . . .	282
<b>Personnel</b>			
National Kraut Packers Association . . . . .	288	<b>Statistics</b>	
Dr. Stier speaks . . . . .	288	General crop conditions . . . . .	281
<b>Procurement</b>		Snap beans for processing . . . . .	283
Tomato products for USDA . . . . .	281	Tomatoes for processing . . . . .	283
Canned foods for VA . . . . .	287	Sweet corn for processing . . . . .	283
<b>Ppublication</b>		Cabbage for kraut . . . . .	283
1955 Canning Trade Almanac . . . . .	288	Deciduous fruit production . . . . .	284
<b>Publicity</b>		Production of field crops . . . . .	285
Nuclear tests subject of county-state fair displays . . . . .	281	Citrus fruit production . . . . .	285
Atom tests being publicized by photo-caption collection . . . . .	282	Business indicators . . . . .	286
Statistics work featured in <i>Good Packaging Yearbook</i> . . . . .	285		
		<b>Supplies</b>	
		Shipments of metal cans . . . . .	287
		<b>Traffic</b>	
		Shortage of freight cars . . . . .	288